

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2804 – HB 2949

April 19, 2010

SUMMARY OF AMENDMENTS (014964, 017107): Defines clinic, except in the context of a hospital-based facility, as a not-for-profit, out-patient, non-hospital facility providing primary health care, dental care, eye care, child delivery or birthing facilities, or any other out-patient health care service and includes a clinic within the definitions of a project that the corporation of a municipality has authority over. Authorizes the corporation of a municipality to lease or sell a project to a clinic, or to enter into loan agreements with a clinic with respect to a project.

FISCAL IMPACT OF ORIGINAL BILL:

Local Expenditures – Net Impact – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase Local Revenue – Exceeds \$100,000/Permissive
Increase Local Expenditures – Exceeds \$100,000/Permissive

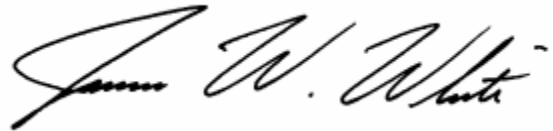
Assumptions applied to amendments:

- Currently, a corporation of a municipality has the authority to acquire, finance or undertake, lease to, sell to, or enter into loan agreements with hospital institutions that include clinics.
- The provisions of the bill will expand this authority to include non-profit, out-patient clinics.
- The fiscal impact of this bill is dependent upon several unknown factors such as the number of corporations of a municipality that will expand services to non-profit, out-patient clinics; the number of projects regarding clinics that will be acquired or financed; and whether facilities will be leased or sold and the number and amount of loan agreements that will be entered into.

- Given the extent of unknown factors, determining a precise fiscal estimate for this bill is difficult. This bill has the effect of extending projects that a corporation will be involved with resulting in both an increase in revenue and expenditures that is difficult to quantify. However, the increase to local revenue and expenditures is reasonably estimated to exceed \$100,000 per year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kml